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Paid-Up Oil and Gas Lease

THIS AGREEMENT, made and entered into this 9th day of August, 2009, by and between Ronald Murdock, a(n) individual

of 1387 E. 3970 S., Salt Lake City, UT 84124, hereinafter called lessor (whether one or more), and Mineral Rights Leasing LLC, a Utah limited liability company whose address is 140 West 2100 South Suite #134, Salt Lake City, Utah 84115, hereinafter called lessee.

WITNESSETH:

I, the lessor, do hereby, in consideration of TEN AND MORE (\$ 10.00) dollars, each paid receipt of which is fully acknowledged, and of the agreements of lease herein set forth, hereby grant, leases and has exclusively unto lessee the lands described below for the purpose of investigating, prospecting, exploring, by geophysical and other methods, drilling, testing, operating and producing oil, gas, and/or water (as defined below), together with the right to construct and maintain pipelines, telephone and electric lines, tanks, pads, roads, paths, equipment, and structures thereon to produce, store and take the care of oil, gas, and/or water (as defined below) and to remove same from such lands by lessee, to use any and all rights, powers, and privileges necessary to accomplish the foregoing, necessary to or associated with the construction and maintenance of such pipelines, telephone and electric lines, tanks, pads, roads, paths, equipment, and structures on said lands to produce, store and take care of oil, gas, and/or water (as defined below), and the exclusive right to inject air, gas, water, brine and other fluids from any source into the subsurface strata, and any and all other rights and privileges necessary, incident to, or convenient for the successful operation of said land area or property with neighboring land, for the production, storing and taking care of oil and gas and the injection of air, gas, water, brine, and other fluids into the subsurface strata, said lands being located in the County of Utah, State of Utah, in the

Township 2 South, Range 1 East, U.S.M.
Section 2: E2ESESE, W2ESESE, W2SESE.

And containing 40.00 acres, more or less.

In addition to the land described above, lessor hereby grants, leases and has exclusively unto lessee, in the same manner as if specifically described, lands which are owned or claimed by lessor, by one of the following reasons: (1) all lands and rights required or retained by lessor by statute, regulation, restriction, or otherwise as the result of a change in the boundaries or existence of any river or stream bordering or adjoining the lands described above; (2) all rights lands and rights which are or may be held, appropriated, retained or dedicated to lessor in my title, streams, creeks or brooks or adjoining the lands described above by virtue of lessor's ownership of the land described above; (3) all lands included in my real, common or right-of-way, adjoining the lands described above which are or may be mineral, agricultural, timbered or timbered to lesser's entire title of the lands described above, and (4) all strips or areas of land adjacent or contiguous to the lands described above owned or retained by lessor through adverse possession or other similar statutes of the state in which the land is located.

The term as used in this lease shall be interpreted to include any liquid hydrocarbon substances which occur naturally in the earth, including, but not limited to, oil and/or natural gas recovered from gas wells, or a result of a manufacturing process. The term gas as used in this lease shall be interpreted to include any methane, ethane, propane or natural gas-like substance which is produced in a gaseous state from the earth and which in turn has a gaseous or liquid state at ordinary temperature and pressure conditions, including but not limited to helium, nitrogen, carbon dioxide, hydrogen sulfide, and liquid natural gas, compressed gas and solvent.

Subject to the other provisions herein contained, this lease shall remain in force for a term of five (5) years, commencing from the date (herein called "primary term") and as long thereafter as oil and gas, or either of them, is produced from the leased premises or drilling operations are continuously prosecuted. For purposes of this lease, a well completed for the production of coated cracked shale gas shall be deemed to be producing gas under this lease at all times when downflow of the gas occurs from which the coated cracked shale gas will be produced or occurring. For purposes of this lease, "drilling operations" shall include operations for the drilling of a new well and operations for the reworking, deepening or plugging back of a well or hole or other operations conducted in an effort to establish, resume or re-establish production of oil and gas. Drilling operations shall be considered to be "continuously prosecuted" if ten days (10) days shall elapse between the completion and abandonment of one well or hole and the commencement of drilling operations in another well or hole, drilling operations shall be deemed to be commenced for a new well at such time as lessor has begun the construction of the wellsite location or the road which provides access to the wellsite location, and drilling operations shall be deemed to be commenced with respect to reworking, deepening, plugging back or other operations conducted in an effort to resume or re-establish production of oil and gas at such time as lessor has the requisite equipment for such operations at the wellsite.

2. The lessor shall deliver to the credit of the lessor as royalty, free of cost, in the pipe line to which lessor may connect its wells the equal one ninth (1/9) part of all oil produced and saved from the leased premises, or lesser, as far from the lessor as its system permits any day of the month, paying the market price thereof prevailing for oil of like grade and gravity in the field where produced on the date of purchase.

The lessor shall pay lessor, as royalty, oil, gas, including casing gas or other gaseous substances, produced from the leased premises and sold or used off the premises or used in the manufacture of gasoline or other products, the market value at the well of one ninth (1/9) of the gas sold or used, provided that oil or gas sold or used shall be one ninth (1/9) of the amount received from such sale. The amount received from the sale of gas shall be the price established by the gas sales contract entered into in good faith by lessor and a gas producer for such item and under such conditions as are customary in the industry. Price shall mean the net amount received by lessor after giving effect to applicable regulatory orders and application of any applicable fee or adjustment specified in such contract or regulatory orders. In the event lease terminates, ends, purifies or dehydrates such gas (whether or not the leased premises or transports gas off the leased premises, lessor in computing royalty hereunder may deduct from such price a reasonable charge for each of such functions performed. Any transportation charges to the respective hubs will be at a rate that is similar to other transportation fees for producers in the area.

3. This a paid-up lease and all cash considerations first needed above and actual results have been paid to lessor in advance to keep this lease in full force and effect throughout the primary term. In consideration of the payment of such considerations and advance amounts noted, lessor agrees that lessor shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. Lessor may, at any time or times during or after the primary term, cancel this lease in all or any portion of the land described above, and so to my sole discretion, by delivering to lessor or by filing of record a release or release, and be relieved of all obligations thereafter according to the terms set forth.

4. Any payments required to be made to lessor pursuant to this lease, other than the payment of royalty, may be paid by lessor to the lessor or to lessor's credit in the bank, at [Direct to Lessor] (as its successor or successor, or its bank, with which it may be merged or consolidated), which succeeds to its business assets or any part thereof, by post office address which shall constitute as the depositary for all debts due in the ownership of said land or the oil and gas. All such payments may be made by cash, check, draft, mail or delivered on or before the due date for the payment. Any payment so made shall be binding on the lessor, successors, executors, administrators, and personal representatives of lessor and on lessor's successors in interest or on lessor's assigns.

5. If, at the expiration of the primary term of this lease, oil or gas is not being produced from the leased premises but lessee is then engaged in drilling operations, this lease shall continue in force so long as drilling operations are continuously prosecuted, and if production of oil or gas results from any such drilling operations, this lease shall continue in force so long as oil or gas shall be produced from the leased premises. If, after the expiration of the primary term of this lease, production on the leased premises should cease for any cause, this lease shall not terminate if lessor is then engaged in drilling operations, or within one hundred twenty (120) days of such such cessation of production continues or resumes drilling operations, and this lease shall remain in force so long as drilling operations are continuously prosecuted, and if production results therefrom, even if lessor is not oil or gas produced from the leased premises.

6. If at any time, other before or after the expiration of the primary term of this lease, there is a well capable of producing oil or gas on lands covered by this lease, over which lands owned by this lessor are pooled or unitized, but the well is shut in, whether before or after production begins and this lease is not being continuously prosecuted by lessor, this lease shall not terminate (unless released by this lessor or pooled or unitized, but the well is shut in, but shall become no oil or gas is being produced from lands covered by this lease during all time while the well is shut). Lessee shall use reasonable diligence to make the oil or gas capable of being produced from such oil or gas, but shall not be required to do so if the cost or extra time, conditions or circumstances which lessor's judgment exercised in good faith, are unsatisfactory. When this lease is continued in force in this manner, lessor shall pay or tender to the lessor or lessor's successors or assigns, an amount equal to \$1.00 per year per net mineral acre covered by the lease. Such payments shall be a six (6) months before the third regular payment date, as defined below, and occurring after the expiration of one hundred twenty (120) days from the date the well is shut, unless prior to such date oil or gas from the well is sold or used or the lease is otherwise terminated as provided herein. In the event, as far as before each succeeding regular payment date while such well remains shut, lessor shall make payment of \$1.00 per year in the same amount and manner. The term "six (6) months before the third regular payment date" shall mean the anniversary date of this lease. Any such regular payment may be made by cash, draft or check, wired or transferred to or before the date of regular date. Lessor's failure to pay or tender, as properly paid or tender, any such sum shall render lessor liable for the amount due, but shall not operate to terminate the lease.

7. If lessor owns a lesser interest in the above described land than the entire and undivided fee simple estate therein, then the royalty, lessor's share in royalty, herein provided shall be paid to lessor or by the proportion which lessor's interest bears to the whole and undivided fee. Any interest in production from the lands described herein to which the interest of lessor may be subject shall be deducted from the royalty herein provided.

8. Lessee shall have the right to use, free of rent, gas, oil and water produced on said land for its operation thereon, except water from wells and reservoirs of lessor. Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to drill and remove casing.

9. Lessee shall pay to lessor reasonable amounts for damages caused by its operations in producing oil or gas and fluid. When requested by lessor, lessor shall bury its pipelines which intersect cultivated lands below plow depth. No well shall be drilled closer than two-hundred (200) feet to a house or barn nor to any fence, without written consent of lessor. Lessee shall have the right at any time (but not the obligation), to remove all pipelines and fixtures, and fences placed or erected by lessor or said premises, including the right to pull and remove casings.

10. Lessor gives the right and power at any time and from time to time as a recurring right, either before or after production, as to all or any part of the land described above and as to any part or entire of the formless boundaries, to pool or unite the leased estate and the mineral estate covered by this lease with other land, lessor's lands in the immediate vicinity for the production of oil and gas, or separately for the production of oil or gas, when in lessor's judgment it is necessary, or advisable, and no lessor's consent to such other land, lessor's lands. Likewise, with previously agreed to include formless areas not producing oil or gas may be informed to exclude such non-producing formless. The forming or refining of any unit shall be accomplished by lessor entering an Ring of record a declaration of such unitization or redivision, which declaration shall describe the unit. Any uniting includes land upon which a well is located or completed or upon which drilling operations have been commenced.

Production, drilling or reworking operations or a well shall be under this lease. In view of the royalties elsewhere herein provided, lessor shall receive no production from the land so pooled royalties only on the portion of such production allocated to this lease; such allocation shall be the proportion of the unit production that the total number of surface acres covered by this lease or included in the unit bears to the total number of surface acres in such unit.

11. Lessor shall have the right to sublease, pool, or combine all or any part of the land described above as to one or more of the formations thereunder with other lands in the same general area by entering into a cooperative oil and gas development or operation agreement by any governmental authority and, from time to time, with the approval, to modify, change or terminate any such plan or agreement and, in such event, the terms, conditions, and provisions of this lease shall be deemed modified to conform to the terms, conditions, and provisions of such agreed or cooperative or unit plan of development or operation and, particularly, all drilling and oil and gas operations of this lease, express or implied, shall be satisfied by compliance with the drilling and development requirements of such plan or agreement, and this lease not terminate or expire during the life of such plan or agreement. In the event that the land described above or any part thereof shall hereafter be operated under any such cooperative or unit plan of development or operation whereby the production therefrom is allocated to different portions of the land covered by said plan, then the production in any particular tract of land shall, for the purpose of computing the royalties to be paid hereunder to lessor, be regarded as having been produced from the particular tract of land to which it is allocated and out of any other tract of land, and the royalty payments to be made hereunder to him shall be based upon production only as so allocated.

12. If the estate of either party hereto is assigned or sold, and the privilege of assigning or subletting in whole or in part is expressly retained, the express and implied covenants hereof shall extend to the assignee, successors and assigns of the parties, and in the event of an assignment or subletting by lessor, lessor shall be relieved and discharged as to the leased oil rights so assigned or sublet from my liability to lessor thereafter covering upon any of the acreage or land covered by this lease, after express or implied. No charge in ownership of the land, royalties, or other payments, however accomplished, shall operate to enlarge the obligations or diminish the rights of lessee or require separate accounting of production or expense to lessor. Notwithstanding any actual or constructive knowledge of or notice to lessor, no change in ownership of oil and gas rights or interest in any of the acreage or other property of any other owner, whether by reason of death, conveyance or any other cause, shall be binding on lessor (except at lessor's option in any particular case) until lessor has had timely (10) days after lessor has been furnished written notice thereof, and the supporting information herewith referred to, by the payee changing as a result of such change in ownership or interest. Such notice shall be supported by original and certified copies of all documents and other instruments or proceedings necessary to lessor's opinion to establish the ownership of the changing party.

13. In the interest of conservation, the production of maximum pressure and recovery of the greatest ultimate yield of oil and/or gas, lessor shall have the right to exchange the leased premises with other premises in the same general area for the purpose of repairing and maintaining pipelines and gathering facilities, and for such purpose may locate such facilities, including input wells, upon leased premises, and no charges shall be payable herefor upon any gas used for repairing and maintaining pipelines located on the leased premises.

14. If lessor, during the primary term of this lease, receives a bona fide offer from a third party to purchase from lessor a lease covering any or all of the substances covered by this lease and covering all or a portion of the land leased hereby, with such lease to become effective upon acceptance of this lease, which lessor is willing to accept from the offering party, lessor hereby agrees to notify lessor in writing of said offer immediately, indicating in the notice the name and address of the offeree, the price offered and all other pertinent terms and conditions of the offer. Lessee, for a period of fifteen (15) days after the receipt of the notice, shall have the prior and preferred right and option to purchase the lease or part thereof or interest therein covered by the offer at the price set in the terms and conditions specified in the offer. All offers made up to and including the last day of the primary term of this lease shall be held in the same order as received. Should lessor elect to purchase the lease pursuant to the terms hereof, it shall do so only lessor in writing by first tele, or telegram prior to expiration of said fifteen (15) day period. Lessee shall promptly thereafter furnish to lessor the new lease to be executed by lessor along with lessor's signature and payable to lessor in payment of the specified amount as consideration for the new lease, such draft being subject to approval of title according to the terms hereof. Upon receipt thereof, lessor shall promptly execute said lease and return same along with the draft through lessor's local record office for record.

15. In the event lessor considers that lessee has not complied with all its obligations hereunder, either express or implied, lessor shall notify lessor in writing, setting out specifically in what respects lessor has breached this lease. Lessor shall have only (60) days after receipt of such notice within which to cure or commence to meet all or any part of the breach alleged by lessor. The source of said notice shall be presented to the lessor if any action by lessor or still lessor for any cause, and to such action shall be brought within the legal time of (60) days after service of such notice on lessor. Notice of the source of said notice or the doing of any acts by lessor alleged to exist or of any of the alleged breaches shall be deemed an admission or present proof that lessor has failed to perform all its obligations hereunder. This lease shall never be forfeited or canceled for failure to perform in whole or in part any of its implied covenants conditions, or stipulations until a judicial determination is made that such failure exists and lessor fails within a reasonable time to satisfy any such covenants, conditions, or stipulations.

16. All express and implied covenants of this lease shall be subject to all federal and state, county or municipal laws, executive orders, rules and regulations, and lessor's obligations and covenants hereunder, whether express or implied, shall be suspended at the time of a state of fire or flood in accordance with such obligations and covenants as are imposed or imposed by or in conflict with federal, state, county, or municipal laws, rules, regulations or executive orders asserted as offical by or under public authority during a presidential, or Act of God, adverse field, weather, or market conditions, inability to obtain materials in the open market or transportation thereof, wars, strikes, labor disputes, riots, or other conditions or events, natural or wholly controlled by lessor, and this lease shall not be terminated in whole or in part, nor lessor held liable in damages for failure to comply with any such obligation or covenant if compliance therewith is prevented or hindered by or in conflict with any of the foregoing circumstances. The time during which lessor shall be prevented from conducting drilling or reworking operations during the primary term of this lease, under the contingencies above stated, shall be added to the primary term of this lease.

17. Lessor hereby warrants and agrees to defend the title to the lands described above, and agrees that the lessor, at its option, shall have the right at any time to pay for lessor, any mortgage, taxes or other liens existing, levied or assessed on or against the above described lands in the event of default of payment by lessee and be subrogated to the rights of the holder thereof, and lessor hereby agrees that any such payment made by lessor for the lessor may be deducted from any amounts of money which may become due the lessor under the terms of this lease.

18. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors in interest, in whole or in part, of said lessor or lessee.

19. With respect to and for the purpose of this lease, lessor, and each of them if there be more than one, hereby release and waive the right of partition.

WITNESS WHEREOF witness our hands at the day and year first above written

Ronald Murdock

9-14-09

ACKNOWLEDGMENT - INDIVIDUAL

STATE OF Utah X
COUNTRY OF Brentwood

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 14 day of September, 2009 personally appeared Ronald Murdock, to me known to be the identical person's, described in and who executed the within and foregoing instrument of writing and schwore and pledged to me that he does execute the same in his free and voluntary act and deed, including the release and waiver of the right of partition, and in the capacity stated therein.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal and the 18th day of year last above written.

My Commission Expires

Notary Public
Address

